

OIFIG UACHTARÁN FHIANNA FÁIL



Mr Mario Draghi
President
European Central Bank
Eurotower (Main building)
Kaiserstrasse 29
60311 Frankfurt am Main
Germany

PRESIDENT
05 FEB 2013
MD-13-721
RECEIPT

17th January 2013

Dear Mr President,

I am writing to you in support of the request to the European Central Bank for a significant restructuring of the promissory notes owed by Ireland to the European System of Central Banks. In particular, I want you to be aware that there is an absolute consensus between all mainstream political parties in Ireland in support of the request to you.

As Taoiseach Enda Kenny has said recently "Ireland was the first and only country which had a European position imposed upon it, in the sense that there wasn't an opportunity, if the government wished to do it their way by burning bond holders".

As you know, the promissory notes were agreed at a time when the European Union and Eurozone had not yet agreed any significant new policies or mechanisms to address the financial and economic crisis in its early stages.

Ireland had no access to alternative routes of financing which are now in place and, more importantly, Ireland was told that the risk of contagion was so acute that all bank-related debt had to be honoured. This debt is both excessive and unfair. If it continues to be converted into standard sovereign debt, as happened in 2012, it will have a deeply negative economic, fiscal and social impact in Ireland.

The people of Ireland fully understand the legal constraints faced by you as President of the European Central Bank in relation to monetary financing of government. In a more flexible system most or all of this debt should simply be absorbed permanently. However, there is no clear legal or economic impediment to a restructuring of the notes on such a basis as to significantly reduce their impact. A longer term and lower cost would make a major contribution to Ireland's recovery.

Mr President, there are many issues concerning Europe and recovery which divide parties in our country – this is not one of them. You can be assured that the arguments which you hear from Ireland are backed by a broad and deep consensus.

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Last year you took decisive action to avoid a potentially disastrous situation for both the Eurozone and the wider international economy. A move by you to restructure and lighten the burden of these promissory notes would not only help Ireland it would mark another important turning point in helping Europe to recover and to strengthen our common currency.

Thank you for your attention to this matter.

Yours sincerely,

Michael Martin

Micheál Martin TD
Uachtarán Fhianna Fáil